UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

MINUTES OF PROCEEDINGS

HONORABLE DANIEL R. DOMÍNGUEZ Date: March 22, 2011

COURTROOM DEPUTY: Omar FLAQUER CR NO: 11-071-01 (DRD)

COURT REPORTER: Yvette RICHARDSON

COURT INTERPRETER: Not required

Attorneys:

UNITED STATES OF AMERICA Brent SNYDER, U.S. Dept. Of Justice

v.

HORIZON LINES, LLC Nereida MELENDEZ, ESQ.

John M. NANNES, ESQ.

Present at today's proceedings was Robert S. Zuckerman, Senior Vice President, General Counsel, and Secretary of the defendant corporation, Horizon Lines, LLC.

CASE CALLED FOR SENTENCE. The United States and the defendant corporation requested immediate imposition of sentence. Petition was granted. Hence, the Court proceeded to exercise its sentencing authority under Title 18, U.S. Code § 3553, without a presentence investigation report, as authorized by Rule 32(c)(1)(A)(ii), of the Federal Rules of Criminal Procedures and Guideline Section 6A1.1.

The Court ordered that the Horizon Lines, LLC **Secretary's** Certificate and resolution filed at today's proceedings shall be included with the **Assistant Secretary's** Certificate and Resolution filed at Docket Entry No. 2.

IT IS THE JUDGMENT OF THE COURT as to count One (1).

TERM OF PROBATION IMPOSED of Five (5) years, and fined in the amount of \$45,000,000.

The defendant shall pay the imposed fine during the probationary period. Fine payments shall be no less than: one million dollars (\$1,000,000) during the first thirty (30) days of probation; one additional million dollars (\$1,000,000) on or before the completion of the first year of probation; three million dollars (\$3,000,000) during the second year of probation; five million dollars (\$5,000,000) during the third year of probation; fifteen million dollars (\$15,000,000) during the fourth year of probation; and a final payment of twenty million dollars (\$20,000,000) prior to the expiration of the probationary term. First payment shall be paid within thirty (30) days of judgment

Special Monetary Assessment of \$400 was imposed as required by law.

being entered in this particular case.

All terms and conditions imposed at today's proceedings shall be specified in the judgment form. The defendant corporation was advised of their right to appeal, etc.

S/ Omar Flaquer Mendoza

Omar Flaquer Mendoza Case Manager/Courtroom Deputy Clerk